
IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH

UTAH CHIPS COMPANY dba SNACKCO
OF AMERICA aka, SNACKCO, a Utah
corporation

Plaintiff,

v.

BIRCH FARMS, INC. a California
corporation, and RAMON VAZQUEZ, an
individual

Defendants.

**MEMORANDUM DECISION AND
ORDER RECOGNIZING AUTOMATIC
STAY AND TERMINATING MOTION
FOR JUDGMENT ON THE PLEADINGS**

Case No. 2:22-cv-00825-JNP

District Judge Jill N. Parrish

On March 10, 2023, Plaintiff Utah Chips Company d/b/a SnackCo of America, aka, SnackCo (“SnackCo”) filed a motion for judgment on the pleadings against Defendant Birch Farms (“Birch Farms”). ECF No. 29. SnackCo alleged that Birch Farms had breached several contracts with SnackCo by failing to pay SnackCo for several deliveries of potato chips. *Id.* Birch Farms conceded that it had breached the contracts. ECF No. 32 at 9. The court set a hearing for the motion for judgment on the pleadings on July 3, 2023. On June 30, 2023, Birch Farms filed a notice of bankruptcy.¹

Upon initiation of a bankruptcy proceeding, the automatic bankruptcy stay prohibits “all entities” from “the commencement or continuation . . . of a judicial . . . action or proceeding against

¹ The court had previously dismissed defendant Ramon Vazquez for lack of personal jurisdiction. ECF No. 27.

the debtor that was or could have been commenced before the commencement of the case under this title” 11 U.S.C. § 362(a). “Any action taken in violation of the stay is void and without effect.” *Franklin Sav. Ass’n v. Off. of Thrift Supervision*, 31 F.3d 1020, 1022 (10th Cir. 1994) (citation omitted). “The law in the Tenth Circuit is clear that actions taken in violation of the automatic stay are *void ab initio*; that is, they are without legal effect.” *In re C.W. Min. Co.*, 477 B.R. 176, 191 (B.A.P. 10th Cir. 2012), *aff’d*, 749 F.3d 895 (10th Cir. 2014).

The court cannot rule on the motion for judgment on the pleadings while the stay is in place. The court terminates SnackCo’s motion for judgment on the pleadings, ECF No. 29, pursuant to its “inherent authority to manage [its] dockets and courtrooms with a view toward the efficient and expedient resolution of cases.” *Dietz v. Bouldin*, 579 U.S. 40, 47 (2016). Once the bankruptcy stay has been lifted, SnackCo may reinstate its motion for judgment on the pleadings.

DATED July 17, 2023.

BY THE COURT



Jill N. Parrish
United States District Court Judge